GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4605
ANSWERED ON:26.04.2005
PRICE STABILISATION FUND SCHEME
Karunakaran Shri P.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has formed Price Stabilisation Fund Scheme;

(b) if so, the details thereof;

(c) whether the Government has implemented the Scheme during the last financial year; and

(d) if so, the details thereof and the results achieved therefrom?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI E.V.K.S. ELANGOVAN)

(a) & (b): Yes, Sir. The Price Stabilisation Fund (PSF) has been established for the benefit of the growers of tea, coffee, rubber and tobacco, with a corpus of Rs.500 crore which includes Rs.482.88 crore as contribution by the Central Govt. and Rs.17.12 crore as a non refundable initial contribution by the participating growers @ Rs. 500 per grower. The corpus of the fund would remain undisturbed and interest earnings alone are being utilised for implementing the Price Stabilisation Fund scheme. The scheme is a participatory scheme between the growers and the Government, based on the principle of contributions from the growers and from the Government depending on normal/boom/distress periods with provision for withdrawals during distress periods. So far, 30,605 growers have enrolled under the scheme.

(c) & (d) : Yes, Sir. The PSF Scheme became operational from April 2003. The price spectrum band for the year 2003 in respect of tea, coffee and rubber was announced based on which the pay-in and pay-out liability, in respect of Members enrolled upto 31st March 2004, was made. The price spectrum band for the year 2004 has also recently been announced.